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FOREIGN CROPS and MARKETS



UNITED STATES DEPARTMENT OF AGRICULTURE
OFFICE OF FOREIGN AGRICULTURAL RELATIONS

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LATE FOREIGN DEVELOPMENTS

RUMANIA: Bread ration reduced from 300 to 250 grams for white bread and from 500 to 400 grams for mixed wheat and corn bread.

NETHERLANDS: Artificial drying grass increased enormously since the beginning of 1941. There are now 140 drying plants compared with 3 in 1938 and a production of about 50,000 tons of dry grass is expected in 1942.

UNITED KINGDOM: Ministry of Agriculture has announced that in order to insure the largest possible wheat acreage next year, the subsidy on wheat growing will be raised, particularly for new marginal producing areas.

BRAZIL: The Government's loan prices for 1941-42 cotton were raised from 50 to 60 milreis per arroba (8.19 to 9.82 cents per pound) for basic São Paulo type 5 cotton by a decree law issued about June 20, 1942.

UNITED KINGDOM: The Ministry of Agriculture announced that it has been found necessary to make changes in 1942-43 winter rations for livestock. Beginning September 1, 1942, rations for pigs and poultry will be allocated on the basis of one-eighth of pre-war numbers instead of one-sixth as originally planned. There will be a special allowance for farrowing sows. Rations for dairy cows will continue to be based on the quantity of milk sold. Rationing proposals for certain other classes of livestock are in preparation.

UNITED KINGDOM: Ministry of Food announces that 19,000,000 cans of dried eggs, each equivalent to 12 eggs in the shell, will be placed on sale at retail shops June 24 at 1s.9d (about 35 cents) per 5-ounce can. Dried-egg distribution will be in addition to egg ration in shell. There will be distributions from time to time, sufficient to provide each consumer with a can every 2 months.

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G R A I N SIRELAND PLANS FURTHER INCREASE
IN WHEAT PRODUCTION . . .

A further marked increase in the wheat acreage and production has been called for by the Government of Ireland, according to information received in the Office of Foreign Agricultural Relations. The Ministry of Agriculture is said to have been conducting a campaign to increase the wheat area to 650,000 acres for harvest in 1942, which would represent an increase of about 40 percent over 1941 and would be more than double the 1940 acreage. An area of this size with about average yields should result in a harvest that would largely take care of the bread needs of Ireland.

To induce farmers to increase grain plantings, a guaranteed price of 50 shillings a barrel of 280 pounds (\$2.16 per bushel) for every barrel of millable wheat that can be produced in 1942 was finally fixed by the Government. This represented a further increase over earlier reports of this year's price guaranty of 45 shillings. For last year's crop, a price of 40 shillings per barrel (\$1.73 per bushel) was paid. A compulsory tillage order issued by the Department of Agriculture also requires holders of agricultural land to cultivate 25 percent of their arable land and also gives authority for taking over land that is not handled in accordance with the order.

Recent reports of crop conditions and the program of seeding raise some doubts as to the possibility of a full achievement of the 1942 plan. While both winter and spring seedings are reported to be above a year ago, weather, and especially seed conditions, have not been particularly favorable. Some reports indicate that germination has been rather spotted and that many winter-sown fields have had to be re-worked. Seed supplies, however, have so far proved equal to the larger requirements, it is noted.

The latest information on the 1941 grain harvest in Ireland, as compared with the previous year, is given in the following table. It will be noted that the wheat area for 1941 has been revised downward somewhat from the previous figure reported (see Foreign Crops and Markets, February 23, 1942).

Earlier in the season it was expected that bread rationing would be introduced into Ireland by the end of April or early May in view of the tightening wheat situation resulting from the lack of imports. It is now indicated, however, that with the arrival of some Canadian wheat, the Ministry of Supplies has announced that there has been an improvement in the wheat situation and that supplies are now adequate for requirements until the middle of July. The new harvest should be actively

under way in August, so that if some further imports are made, the question of bread rationing might be indefinitely postponed, particularly if the new harvest should turn out favorably.

Among the other grain crops, the barley acreage is also believed to have been fully maintained and probably increased this season. Its usefulness as a substitute for imported feeding stuffs is said to have induced a number of new growers to sow barley for this purpose. The oats crop is reported to have been seeded under generally satisfactory conditions this season, with most counties showing some further increase in acreage.

IRELAND: Acreage, yield per acre and production
of grains, 1940 and 1941

Crop	Acreage		Yield per acre		Production	
	1940	1941	1940	1941	1940	1941
	1,000 acres	1,000 acres	Bushels	Bushels	1,000 bushels	1,000 bushels
Wheat	305	463	38.3	35.1	11,681	16,255
Oats	681	782	74.5	61.3	50,707	47,910
Barley	132	163	49.1	40.9	6,481	6,670
Rye	3	3	27.3	30.0	82	90

Compiled from official sources.

CANADA'S GRAIN STORAGE SITUATION FAVORABLE . . .

Unlike the United States, little anxiety is being noted in Canada about the storage facilities for the forthcoming grain crops, according to information received in the Office of Foreign Agricultural Relations. The rated capacity of Canadian elevators at this time is reported at about 600 million bushels. Grain experts, however, are said to believe that the actual capacity might be nearer 650 million bushels. In early June it was reported that Canadian grain in store in Canada occupied only 380 million bushels of storage space, leaving from around 150 to possibly 200 million bushels of idle capacity, after allowing for normal elevator working space.

Furthermore, still more space will become available before the beginning of the new marketing year on August 1. While it is indicated that it may be necessary to devote more space than usual to keeping channels open for the prompt movement of feed grains and flax during the next marketing year, there should still remain ample space for the new wheat crop, unless quality is such that an unusual diversity of grade should require more storage space or that restrictions in the usual Great Lakes boat movement are such as to cause abnormal delays in storage turnover.

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CANADA: Grain storage situation, December 31, 1938-June 5, 1942

Date	Canadian Elevators	
	Storage capacity	Canadian grain in store
	Million bushels	Million bushels
<u>1938</u>		
December 31.....	432.8	171.4
<u>1939</u>		
March 31	-	148.6
June 30	-	107.3
September 30	-	252.0
December 31	424.3	308.3
<u>1940</u>		
March 31	-	299.5
June 30	-	243.0
September 30	-	356.0
December 31	437.0	428.0
<u>1941</u>		
March 31	-	429.1
June 30	-	409.8
September 30	-	447.2
December 31	599.4	475.6
<u>1942</u>		
March 1	-	461.4
May 1	-	415.1
June 5	-	380.2

Compiled from Reports of Board of Grain Commissioners

RAINS IMPROVE CANADIAN GRAIN PROSPECTS . . .

Soaking rains in Saskatchewan during the week ended June 23 brought relief to the dry areas, according to information received in the Office of Foreign Agricultural Relations. At a number of points in the Regina and Weyburn districts and central Saskatchewan, over 4 inches of rain are reported to have been received. Rainfall during the period was also indicated to have been fairly general in Alberta and Manitoba but not so heavy as in Saskatchewan. Cool weather somewhat delayed growth and also the hatching and movement of grasshoppers. Late sown crops are said to show considerable variation, but otherwise the outlook for wheat and coarse grains is reported good, though warmer weather is now needed. Some wheat is already in the shot blade in northern Alberta and early barley in Manitoba is heading out. Some frost damage to flax in southern Saskatchewan has been reported. In southern Alberta, adult saw flies are reported to be numerous.

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RICE SUPPLIES SUFFICIENT
IN WESTERN HEMISPHERE . . .

Present indications point to a surplus of rice in the Western Hemisphere for 1942. Stocks in the United States are now low, but if favorable crop prospects continue until harvest, it is expected that our surplus, combined with that from several Latin American countries, should not only provide ample supplies to meet all normal Hemisphere requirements but will furnish a substantial volume available for allied nations, providing not too many stock piles are set up. Shipping, however, rather than supplies, may prove to be the bottleneck. Adequate distribution of the surplus to the deficit areas must be worked out in order that all may have sufficient food. A brief résumé of the rice situation in various areas and countries at the present time is as follows:

Canada, normally requiring 30 to 50 million pounds annually, is obtaining supplies this year from the United States, Mexico, and Brazil.

In the United States stocks of old-crop rice are now low and the carry-over on August 1 this year will be the lowest in several years. Present crop prospects, combined with a record acreage, point to a crop substantially larger than any previous harvest.

Mexico's supplies are still ample from the 1941 crop. Exports since April 29 have been prohibited in order to conserve stocks.

The Caribbean is the largest deficit area of the Hemisphere, with annual import requirements ranging from 700 to 800 million pounds. In Cuba, where annual import requirements are about 400 million pounds, current stocks plus purchases already made are probably ample until the new United States crop is available. About the same can be said for Puerto Rico where annual import requirements from the United States amount to 225 million pounds. The British West Indies, which require from 90 to 100 million pounds, have relatively small stocks. Sufficient supplies from South American countries should be available for this area. The French West Indies, which require about 25 million pounds, will have to depend primarily upon the same sources. The Dominican Republic, formerly a deficit country, has an exportable surplus this year of 15 to 20 million pounds.

Central America is a deficit rice area to the extent of about 20 million pounds. Principal areas requiring imports this year are the Republic of Panama and the Canal Zone, while Costa Rica and Honduras will need small quantities.

In South America, as a result of favorable weather and an acreage expansion program that has been carried on during the past decade, there are more countries this year with a surplus of rice on hand than at any

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time in history. If sufficient shipping space is available, the Continent is expected to have a net export of at least 250 million pounds. British Guiana and Surinam combined are expected to have a surplus of 50 to 60 million pounds.

Brazil harvested an excellent crop in the State of Rio Grande do Sul in April and had 200 to 300 million pounds available for export. More than 100 million have already been sold, but the shipping situation is checking additional sales. The United Kingdom has been the heaviest buyer while other purchases have been made for Switzerland, the Caribbean, and Canada.

Argentina, Chile, and Uruguay a decade ago were importing practically all of their own rice requirements. The imports for these three countries equaled approximately 50 percent of the total South American takings. This year Argentina harvested the largest crop on record and may have more rice than is needed for domestic requirements. Uruguay harvested a good crop and has an estimated surplus of 2 million pounds. Chile produced a bumper crop and has available for export approximately 20 million pounds.

Bolivia may require imports of 10 to 15 million pounds. Paraguay is about self-sufficient. Peru reports crop prospects poor this year and may require 30 to 40 million pounds.

Ecuador, reporting a larger acreage and crop prospects favorable, may harvest the largest crop on record. The export surplus is expected to range from 40 to 60 million pounds.

Information from Colombia indicates an increased acreage this year and import requirements may be only 10 to 15 million pounds. Substitute foods are available if rice prices become too high. Venezuela's normal import requirements are from 25 to 35 million pounds but on account of the shipping situation this country may be satisfied with 15 to 20 million. Present stocks are reported low.

In conclusion, if the crops in the United States and in other producing areas in this Hemisphere turn out as now expected, there may be 400 million pounds available for lend-lease and stock piles. If too many stock piles are set up, however, it is possible that all the surplus might disappear for this purpose and no rice would be available for lend-lease. It is too early to plan definitely on the disposition of this volume as our production in the past 2 years was substantially reduced by storms in September. The present situation does indicate that if orderly marketing and buying are carried on by all organizations and governments, there should be ample rice to fulfil all necessary requirements during the next 10 or 12 months.

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V E G E T A B L E O I L S A N D O I L S E E D S

BRAZIL EXPORTS RECORD

CASTOR-BEAN CROP IN 1942 . . .

Brazilian castor-bean production in 1941 was approximately 200,000 short tons, the largest ever recorded. A crop of 250,000 tons was anticipated for 1942 but because of unfavorable weather in some of the important producing areas, it is now thought that production may not exceed 220,000 tons.

It is difficult to predict the harvest of castor beans, as the plant grows wild in every State in Brazil and is also cultivated in the principle producing States. When the demand is sufficient and prices are good the natives in the interior gather the beans, but when prices drop, their interest ceases.

There is no system employed in picking or grading, and as a result the quality is, in most instances, not uniform and often inferior. Some effort has been made through publicity to improve the quality by seed selection, fertilization, and harvesting, but information has not been widely applied because of the natural abundance and low prices.

BRAZIL: Castor-bean production and exports,
average 1931-1935, annual 1936-1941

Year	Production	Exports
	Short tons	1,000 pounds
Average 1931-1935	99,564	80,051
1936	170,517	224,992
1937	184,539	264,368
1938	188,170	277,501
1939	138,696	276,176
1940	a/ 165,345	259,030
1941	a/ 198,414	489,008

Brazil 1939-40, Minister of Foreign Affairs and consular sources.

a/ Preliminary.

Castor-oil production in Brazil is increasing, but the total output for the country is not available at this time. In the State of São Paulo, however, between 7,000 and 8,000 short tons of beans are crushed annually, producing around 7 million pounds of oil. This represents only about 30 percent of the capacity of the mills.

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Consumption of castor oil in Brazil is comparatively small. The textile industry accounts for the greater part of it, although some is used in the soap industry and as a lubricant for machines in sugar mills.

Exports of both castor beans and oil were exceptionally large in 1941. Shipments to the United States accounted for 88 and 51 percent, respectively. The United States has been the most important buyer of Brazilian beans for several years, but prior to 1941 the bulk of the oil shipments went to European countries.

BRAZIL: Exports of castor beans by States, 1938-1941

State	1938	1939	1940	1941
	<u>1,000</u> <u>pounds</u>	<u>1,000</u> <u>pounds</u>	<u>1,000</u> <u>pounds</u>	<u>1,000</u> <u>pounds</u>
Bahia,	91,610	55,891	72,752	143,299
Ceara,	48,839	42,285	50,706	48,501
Pernambuco,	36,531	60,865	41,887	39,683
São Paulo,	46,622	61,249	41,887	97,002
Piauhv,	2,844	2,521	a/	a/
Maranhão,	2,585	1,773	a/	a/
Sergipe,	2,185	325	a/	a/
Espirito Santo,	1,352	1,408	a/	a/
Pará,	-	13	a/	a/
Rio Grande do Norte,	226	306	a/	a/
Parahyba,	1,972	2,850	a/	a/
Minas Geraes,	26,099	14,062	26,455	33,069
Alagoas,	6,453	15,855	11,023	13,228
Others,	-	-	13,228	22,046
Total b/	267,318	259,403	257,938	396,828

American Consulate, São Paulo, Brazil.

a/ If any, included in "Others."

b/ Complete information on exports by States is not available.

The price of castor beans had shown a decided upward trend until the recent stabilization. After consulting dealers and exporters regarding a fair return for their product, the Brazilian Government established an export price of \$75.00 per ton f.o.b. Santos. It is believed that this fixed price, permitting a payment of about 6 cents to the grower, will tend to stimulate and stabilize the castor-bean production to meet the present demand.

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C O T T O N - O T H E R F I B E R SBRAZILIAN COTTON ALLEVIATES SHORTAGE
IN SPAIN . . .

Three Spanish ships were expected to arrive in Spain in June with about 82,000 bales (running) of Brazilian cotton. These shipments will complete delivery of 196,000 bales, for which contracts were reported to have been signed in August 1941. A report received from Brazil early in May, stated that navicerts had been obtained for movement of this cotton but shipments were being held up at that time until financial arrangements could be completed.

About 45,000 running bales (15,450 bales of 478 pounds) of Congo cotton were due to have arrived early in June. A recent purchase of 10,000 running bales of Congo cotton was announced. Of this, 3,500 bales have been received, and the remainder will be delivered from new-crop cotton. No arrivals were reported in May, and no definite plans for new purchases are known to be pending at present. There are rumors from trade circles, however, that efforts are being made to inaugurate a plan whereby idle textile machinery in Spain would produce textiles from American cotton for export to buyers in Latin American countries, which, in turn, would make payments to American cotton exporters.

Stocks of cotton in Spanish ports at the end of May were believed to be equivalent to only 2,700 bales (of 478 pounds) of Spanish and 1,900 bales of Egyptian cotton. An additional 7,000 bales were reported at mills and elsewhere, making a total stock of only 12,000 bales in Spain. About 80 percent of the spinning mills and 40 to 50 percent of the weaving mills were inactive during the last half of May for lack of raw materials. Most of the remaining mills operated 3 days per week.

Government encouragement of cotton growing in Spain appears to have brought about an increase in planted area from 46,800 acres in 1941 to an estimated 82,000 in 1942. Authorizations (providing for bounty payments) were issued for a total of 114,000 acres, but excessive rain throughout most of April prevented planters from fulfilling their allotments. The Barcelona press reported on May 26, 1942, that cotton growers in the Province of Seville, which accounts for approximately half of the Spanish crop, are receiving a subsidy of 250 pesetas per hectare (\$9.24 per acre) of cotton planted. The bounty paid by the Federal Government in 1941 to all cotton growers amounted to 50 pesetas per kilogram (2.07 cents per pound). In addition, prices paid to growers were fixed at 3.30 pesetas (13.67 cents), 2.70 pesetas (11.18 cents), and 2.10 pesetas (8.70 cents) for cotton of the first, second, and third classes, respectively. The 1941 crop of 11,200 bales was slightly higher than the previous record of 10,100 in 1940.

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HENEQUEN PRODUCTION IN MEXICO DECLINES . . .

The 1942 production of henequen in Mexico is estimated at about 95,000 long tons (of 2,240 pounds) of fiber and 6,700 tons of tow and is nearly 50,000 tons less than the record yield of 131,000 tons in 1938. Current favorable prices have stimulated interest in new plantings to replace the old plants going out of production. Considerable underplanting has taken place since 1938 because of low prices; therefore, no appreciable increase in production will be apparent before 1947. Quick results are not possible, because henequen plants require 6 or 7 years to reach maturity.

Practically all of Mexico's henequen is grown in Yucatan Peninsula, although some comes from farther north in the State of Tamaulipas. Of the 1942 fiber crop, 92,106 tons are expected from Yucatan, or 510,000 running bales. Domestic requirements will take approximately 75,000 bales, and 95,000 bales will probably be made into cordage for export to the United States and other Western Hemisphere countries. There are over 3,000 bales of fiber to be exported to Argentina and Venezuela, leaving a balance of around 337,000 bales of fiber available for export to the United States.

Official production figures have not been published for the henequen crops of 1940 or 1941, but it was believed that production in 1940 differed slightly from the 1939 crop. There was said to be a substantial carry-over, however, of unsold fiber from 1940 to supplement the 1941 production. This fact is borne out by the increased export of 70,967 long tons in 1941 (January to October) compared with only 43,723 tons for the same period in 1940. Exports to the United States for the 10 month period in 1941 totaled 62,454 tons compared with 42,504 tons in 1940. Total exports to all countries in 1940 amounted to 51,645 tons.

MEXICO: Production, exports, and consumption of henequen, 1935-1942
(In long tons of 2,240 pounds)

Year	Production	Exports	Mill consumption
	<u>Long tons</u>	<u>Long tons</u>	<u>Long tons</u>
1935	83,221	88,333	5,122
1936	110,269	101,103	9,157
1937	105,353	75,892	29,461
1938	131,013	57,003	74,012
1939	122,998	75,212	47,786
1940	<u>a/</u>	51,645	<u>a/</u>
1941	<u>a/</u>	b/ 85,200	<u>a/</u>
1942	b/ 101,800	-	-

Compiled from official trade sources.

a/ Not available. b/ Preliminary trade and private estimates.

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F R U I T S, V E G E T A B L E S, A N D N U T S

SPANISH 1941 FILBERT PRODUCTION

LARGER THAN EXPECTED . . .

The 1941 preliminary estimate of Spanish filbert production is now placed at 21,000 short tons, unshelled basis, as compared with 22,000 tons in 1940 and 24,200 in 1939. The estimate of production is 22 percent below the recent 5-year average (1935-1939) of 26,800 tons and 18 percent below the 10-year average (1930-1939) of 25,600 tons.

SPAIN: Estimated production of filberts, 1930-1941, and averages, 1935-1939 and 1930-1939 a/

Year	Production	Year	Production
	Short tons		Short tons
1930	10,500	1938	28,000
1931	24,000	1939	24,200
1932	35,000	1940	22,000
1933	14,000	1941 b/	21,000
1934	38,000	Averages:	
1935	24,000	1935-1939	26,800
1936	26,000	1930-1939	25,600
1937	32,000		

Compiled in the Office of Foreign Agricultural Relations.

a/ Unshelled basis. b/ Preliminary estimates revised.

The growing season, to review briefly, appears to have been generally favorable throughout. It was thought, however, that the weather of August and September would cause more damage to the crop than actually materialized. Official and trade sources both anticipated a harvest of about 17,000 short tons, unshelled, at harvest time. The actual harvest, however, was considerably above these estimates, as check data now available indicate.

There was no export of filberts from the 1941 crop, as it was prohibited by law. This left the domestic market the only outlet for filberts. The domestic demand, however, was good during the entire season, and by March 30 it was estimated that only 2,200 short tons, unshelled basis, remained, mostly in the hands of speculators.

The domestic demand is the result of the scarcity of other foods in Spain, which during the past 2 years has brought about the utilization of filberts for the production of edible oil and filbert flour used in baking. The shortage of olive oil during the 1940-41 season greatly stimulated the production and use of filberts for the manufacture of oil. Filbert oil is generally mixed with almond oil before being sold. There are no estimates available as to the quantity of filbert oil

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produced, but the combined production of almond and filbert has been estimated at one million liters (about 264,171 United States gallons).

There appears to be some chance that the prohibition on exports of filberts may be lifted soon, according to some trade sources and from other indications. The Spanish press during recent months has been active in carrying on an advertising campaign, and samples of the various grades of almonds and filberts have been sent to the Leipzig Fair and other foreign centers for the purpose of encouraging sales abroad. The official Bulletin of State on October 20, 1941, carried the order of October 18 permitting growers of almonds and filberts to sell freely within Spanish territory. The holders of these two classes of nuts were forced to make a declaration of the total stocks they possessed on the date of the publication of the order. It also permitted the Ministry of Agriculture, through designated agencies, to take the necessary economic measures to correct all irregularities between the prices received by producers and those paid by consumers.

The control of the sale of almond and filbert oil was instituted by an order of the Director of Transportation and Supplies on February 26, 1942, according to a press announcement that all oils and greases of oleaginous nuts and seeds, both locally produced and imported, were to be controlled. All manufacturers, wholesalers, and retailers were instructed to liquidate their stocks within 10 days, because the sale of these commodities for public consumption would be prohibited except at pharmacies by doctor's prescription until such a time as the Superior Price Board should fix the prices for them.

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SCOTLAND FIXES HARVESTING PERIODS FOR POTATOES . . .

The Secretary of State for Scotland, under Regulation 62 of the Defense Regulations 1939, announced on April 22, 1942, the opening dates for potato harvests in the various counties. Potatoes were not to be harvested in Ayr, Bute, East Lothian, and Wigtown until June 11, 1942. They may not be harvested in Dunbarton, Dumfries, and Kirkcudbright until June 18 and in the remaining counties until July 2.

These restrictions apply to potatoes grown for sale only. The growers, under certain conditions, may obtain licenses to harvest prior to the date set by the Regulation. They must apply to the Agricultural Executive Committee for the area in which potatoes are grown for such a license. The application must show the variety of potatoes grown, the land on which grown and the date on which it will be lawful to harvest.

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L I V E S T O C K A N D A N I M A L P R O D U C T SAUSTRALIAN MEAT SITUATION CHANGED
BY WAR IN PACIFIC 1/ . . .

Since the outbreak of hostilities in the Southern Pacific, the meat situation in Australia has changed drastically as compared with 6 months ago. Now, instead of being disturbed by the lack of refrigerated shipping space for meat to the United Kingdom, the main concern is to be able to meet export commitments after supplying the increased demand at home caused by additional Army requirements.

Normal consumption of meat in Australia has been about 1.8 billion pounds, with recent exports of 560 million pounds. Exports in 1941-42 (July-June) will be around 250 million pounds.

Supplies of beef from the heavy production section of Queensland are now coming on the market, and although somewhat below normal, the decrease is believed less than the reduction in exports. Beef exports declined 30 percent in 1940-41 compared with the record total of 285 million pounds in 1939-40. Veal is not included in these figures.

AUSTRALIA: Exports of meats, 1938-39 to 1940-41

Meat	July-June		
	1938-39	1939-40 <u>a/</u>	1940-41 <u>a/</u>
	1,000 pounds	1,000 pounds	1,000 pounds
Beef and veal	271,964	285,000 <u>b/</u>	199,000 <u>b/</u>
Lamb	158,335	201,000	219,000
Mutton	28,156	48,000	19,000
Pork	30,716	52,203	75,446
Bacon and hams	1,739	4,248	6,677
Canned meats	14,828	23,000	43,000
Edible offals	<u>c/</u>	<u>c/</u>	<u>c/</u>

American consulate general, Sydney.

a/ Subject to revision. b/ Does not include veal. c/ Not available.

Beef supplies are expected to meet basic requirements in 1942-43, and ample reserves are to be provided if the new canning program, involving 168 million pounds of beef, is not interrupted. It is planned to use all supplies of beef, above immediate requirements for domestic consumption and export, for canning purposes. Distribution and cold storage at desired points are problems now being worked out.

1/ For detailed statistics, see January 26, 1941, and June 15, 1942, issues of Foreign Crops and Markets.

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There is plenty of mutton in Australia for consumption. The quantity of fat lambs available has been reduced by drought conditions. Normally 75 percent of the fat lambs are marketed between August and October. Prospects are better for the late lambing season, from which lambs will be marketed from January to May 1943.

A definite shortage of pork is anticipated during the next 7 to 9 months. There was a 25-percent decline in pig breeding last year following the disastrous decline in prices of a year ago. There is a tendency to increase breeding at present, however. A decrease in numbers may be partly offset by feeding to heavier weights. Some rationing of pork to civilians may be necessary to provide for essential service requirements. The quantity of skim milk available for pigs has been cut about 10 percent owing to additional requirements of whole milk next season for cheese and condensed and dried milk.

A new plan for the stabilization of the meat industry in Australia was announced early in 1942. As a result of the further deterioration in the shipping situation by the entrance of Japan into the war, the Commonwealth Government extended the principal of the Lamb Purchase Scheme to all frozen meat accepted for export. Beginning January 25, 1942, frozen mutton of first quality accepted for export, and beginning March 2, 1942, all beef and pork accepted continues to be purchased by the Australian Government at United Kingdom contract prices, less 15 percent, immediately after it is placed in storage. An advance of 90 percent is made 28 days after storage and 10 percent 16 weeks after entry.

The difference between the purchase price and the British contract price is to be used to build up a fund to meet storage charges and also provide subsidies to enable the Government to purchase canned meat. The plan is similar to that of Argentina and is designed to compensate owners for better quality meat now being canned.

The British Government announced higher prices for certain types of meat for the third year of war, October 1941 - September 1942. The advance for various grades of export lamb was one-half cent per pound more. It was also announced that under the Commonwealth Lamb Purchase Scheme the Federal Government had approved an additional increase of one-third cent per pound in the purchase price to be paid for summer lambs.

The demand for canned meat has greatly increased to provision Australia's own troops and the increasing number of allied troops in Australia. A meat canning committee has been set up under National Security (meat industry) regulations issued as of February 17, 1942. This committee is given authority to purchase, can, export, or sell any meat or canned meat, and to control handling, treatment, and shipment of such meats. It is indicated that preliminary plans contemplate the conversion

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of 358 million pounds of beef, pork, and mutton. Canning will not cover the problem of the large number of old sheep in Australia. Mutton from older sheep calls for the dehydration process.

The plant needed for dehydration is neither complicated nor expensive and can be made in Australia. The product may be used for pies, stews, soups, and in case of emergency may be eaten as it comes from the tin. It can be kept without refrigeration for an indefinite period. For experimental purposes, the dehydrated meat has been packed in standard 4-gallon benzine cans and in case of accidents at sea, the containers remain afloat and may be recovered.

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VETERINARY SERVICE CREATED FOR CUBAN MEAT EXPORTS . . .

The Cuban Government, by decree dated April 25, 1942, established the Service of Technical Veterinary Inspection in all the custom houses of the Republic. Cuba's growing beef exports to the United States and the realization that guaranteed sanitary requirements lead to improved trade relations, were factors in the promulgation of this decree.

Stock raising developed into a fairly successful industry following the first World War. Approximately 10,000 beef cattle a year were being shipped to the United States, but this trade was soon cut short by provisions of the Fordney-McCumber Tariff Act of 1922. Cuba had to import considerable quantities of meat products from the United States due to the lack of meat-packing facilities. But in 1927 Cuba acted to establish a local packing industry by a tariff. The industry grew so fast that by 1933 imports of fresh beef from the United States virtually ceased, and by 1939 Cuba was exporting over 420,000 pounds of fresh-chilled and frozen beef to the United States. Beef exports to the United States reached nearly 12 million pounds in 1940, and more than 42 million pounds in 1941.

Although Cuban exports of beef cattle are considerably less in value than those of fresh-chilled and frozen beef, they have increased markedly in recent years. Shipments increased from 1,415 head valued at \$46,000 in 1939, to 5,934 head worth \$225,000 in 1940, and 9,974 head valued at \$400,000 in 1941.

Customs authorities have previously employed veterinarians, but their functions have been limited to inspecting imports and exports of live cattle. The present decree stipulates that this inspection service be entrusted with the task of inspecting and supervising, in Cuban custom-houses, the exports and imports of animals and animal products. This means that exports of butter, cheese, and condensed milk are now subject

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to inspection, in addition to beef. The veterinary inspectors have the authority, after appropriate inspection, to endorse the certificates of the Meat Inspection Service, which, in accordance with already existing regulations, must attest to the purity of animal products and the good health of live animals.

In the case of imports, no animals or animal products may enter the country until the Inspectors have endorsed certificates of good health and purity countersigned by the Cuban Consul at the place of origin. It is further provided that all products of animal origin destined for export bear an inspection stamp attesting to the approval of the product and that it is a product of Cuba. The decree finally stipulates that railroad cars or trucks transporting edible animal products, unpackaged, fulfil specified conditions of cleanliness and temperature.

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AUSTRALIA REGULATES SHEEP SHEARING . . .

In an effort to get an equitable distribution of labor for handling the 1942-43 wool clip, Australia introduced a zoning system in the States of New South Wales, Victoria, and Tasmania. At the present time, it appears as if labor difficulties may tend to slow down the handling of the clip. Shearers and shed hands are seasonal workers, and, because of the war, the supply of this class of labor has been greatly reduced.

Normally, the wool take-off in New South Wales, the largest Australian wool-producing State, extends from June to December, with the peak period from early August to the middle of November. During that period, up to 20,000 men are employed in peacetime. In the current season, the work may have to be done by half the number, and to make this possible, it will be necessary for some sheds to start earlier than usual.

Under the regulations New South Wales is divided into eight zones, and definite dates are laid down within which shearing must be done in each zone. Outside these dates, no owner of more than 1,000 sheep may try to hire shearing labor, and no one may offer to do shearing. Unusual circumstances may call for an exception, however.

The regulations do not apply to owners with less than 1,000 sheep. According to latest official figures, there are 55,347 flocks comprising 16,853,351 sheep in New South Wales, Victoria, and Tasmania. Under this zoning system, many sheds which ordinarily begin shearing in July, have begun in May and June.

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